The following action is in response to the amendment filed for application 10/565,473 on October 22, 2009.

Allowable Subject Matter

Claims 1-3 and 5-7 are allowed.

The following is an examiner's statement of reasons for allowance: the prior art of record fails to show or render obvious the two-speed transmission as claimed, and particularly including a second clutch for selectively disengaging the lay shaft from the first gear train to enable reverse drive to be transmitted from the input shaft to the output shaft by the first clutch, and including the remaining structure of claim 1. The present invention also particularly includes a one-way clutch for allowing overrun of the first gear train when the second gear is selected; and means for disengaging the one-way clutch to allow reverse drive to be transmitted from the input shaft to the output shaft, and including the remaining structure of claim 7.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Roger L. Pang whose telephone number is 571-272-7096. The examiner can normally be reached on 5:30am to 4:00pm.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, David Le can be reached on 571-272-7092. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Roger L Pang/ Primary Examiner, Art Unit 3655

> Roger L Pang Primary Examiner Art Unit 3655

January 8, 2010